

WEST**End of Result Set** **Generate Collection**

L19: Entry 1 of 1

File: USPT

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DOCUMENT-IDENTIFIER: US 5794207 A

TITLE: Method and apparatus for a cryptographically assisted commercial network system designed to facilitate buyer-driven conditional purchase offers

DEPR:

Data storage device 250 may include hard disk magnetic or optical storage units, as well as CD-ROM drives or flash memory. Data storage device 250 contains databases used in the processing of transactions in the present invention, including buyer database 255, seller database 260, CPO database 265, counteroffer database 267, seller response database 270, purchase confirmation database 275, contract detail database 280, payment database 285, cryptographic key database 290, and audit database 295. In a preferred embodiment database software such as Oracle7, manufactured by Oracle Corporation, is used to create and manage these databases. Data storage device 250 also stores information pertaining to buyer account 297, seller account 298, and escrow account 299.

DEPR:

Buyer database 255 maintains data on buyers with fields such as name, address, credit card number, phone number, ID number, social security number, electronic mail address, credit history, past system usage, public/private key information, etc. This information is obtained when the buyer first registers with the system, or immediately prior to posting his first CPO 100. Buyer database 255 also contains the tracking number of each CPO 100 generated by the buyer, and the tracking number of each seller response 110 and counteroffer 140 directed to the buyer's CPOs 100.

DEPR:

Buyer account 297 tracks all information pertaining to the buyer's account with fields such as buyer's name, bank and credit account numbers, and debit or credit transactions. This account may be a pointer to account data stored at the buyer's bank.

DEPR:

With reference to FIG. 5, there is described the process by which the buyer formulates CPO 100. At step 500, the buyer logs on to central controller 200 using buyer modem 450 of buyer interface 400, establishing a communication link. It should be noted that the buyer may be an individual, a corporation, a partnership, a government, or any other entity. In one embodiment, central controller 200 has a page on the world wide web, allowing the buyer to provide information through the interface of conventional web browser software such as Netscape Navigator, manufactured by Netscape, Inc. At step 510, the buyer selects the subject of the goods he wants to purchase by selecting from a list of possible subjects. As shown in box 515, subjects might include airline tickets, hotel rooms, rental cars, insurance, mortgages, clothing, etc. After the subject is selected, a form is displayed on video monitor 430 of buyer interface 400. This form is an electronic contract with a number of blanks to be filled out by the buyer, with each blank representing a condition of CPO 100.

DEPR:

Although the on-line embodiment describes a protocol in which central controller 200 transmits credit card information to the seller for processing, there are of course many payment protocols under which payment may be transferred from buyer to seller. In one embodiment, processing the credit card is performed by central controller 200, not the seller. Central controller 200 looks up the credit card number of the buyer in payment database 285. This credit card number is transmitted to payment processor 230. Payment processor 230 contacts the credit card clearinghouse to get an authorization number. The billable amount appears on the credit card statement of the buyer in his monthly statement. The clearinghouse posts this amount to seller account 298. Central controller 200 updates payment database 285 to indicate that payment has been made. Central controller 200 could also arrange for payment to be made directly between buyer and seller by providing payment information to each party. The buyer, for example, might receive the checking account number of the seller. Account information could also be embedded into CPO 100 and seller response 110, allowing buyer and seller to complete payment once they each had a copy of CPO 100.